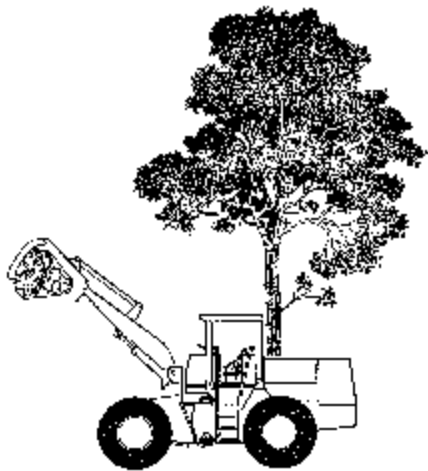


Missouri Timber Price Trends



Missouri Timber Price Trends tracks market prices for Stumpage and Delivered Logs. Reports on the Stumpage Market are received from Missouri Department of Conservation Resource Foresters and private consulting foresters. Stumpage refers to timber sold on the stump and does not reflect delivered mill prices. Reports on the Log Market give delivered log prices and are compiled from reports submitted by sawmills and other wood processing plants. These reports should serve as a **general** guide to track stumpage and delivered log prices. Landowners should not use this report to replace a timber inventory and marketing assistance as methods of conducting a sale. Missouri Department of Conservation Resource Foresters will be able to provide information on current, local market conditions. Details of all private sales and delivered prices are kept confidential.

Tree Scale Conversion Factors

Sawlogs - Veneer Logs		Int'l = Doyle x 1.2
Pulpwood	Pine	5,200 lbs/cord
	Hardwood (hard)	5,600 lbs/cord
	Hardwood (soft)	4,200 lbs/cord

Quarterly Market Report
Vol. 11 No. 3
July-Sept., 2001

STATEWIDE TIMBER STUMPAGE PRICE TRENDS IN MISSOURI

(July-Sept., 2001)

	High \$/MBF	Low \$/MBF	Weighted Average	Previous Quarter	Last Year	Number of Reports	Total Volume (Board Feet)
Veneer							
Black Walnut	\$1,100	\$1,100	\$1,100	\$1,200	-	1	3 Int. - MBF
Sawlogs							
Ash	\$100	\$65	\$70	\$120	\$180	2	5 Int. - MBF
Black Walnut	\$415	\$100	\$325	\$365	\$390	4	6 Int. - MBF
Hickory	\$180	\$50	\$110	\$65	\$145	6	24 Int. - MBF
Hard Maple	\$160	\$160	\$160	\$120	-	1	7 Int. - MBF
Soft Maple	\$150	\$150	\$150	\$225	-	1	8 Int. - MBF
Oak (mixed species)	\$175	\$65	\$115	\$135	-	141,675	Int. - MBF
Post Oak	\$180	\$70	\$115	\$110	\$170	6	71 Int. - MBF
Red oak (group)	\$290	\$100	\$180	\$170	\$185	151,378	Int. - MBF
White oak (group)	\$250	\$75	\$150	\$185	\$190	9	307 Int. - MBF
Sycamore	\$65	\$50	\$55	\$60	\$180	3	28 Int. - MBF
Mixed Hardwoods	\$210	\$40	\$150	\$115	\$115	9	153 Int. - MBF
Eastern Redcedar	\$85	\$85	\$85	\$180	-	1	3 Int. - MBF
S Yellow Pine	\$180	\$115	\$125	\$115	\$130	3	42 Int. - MBF

Firewood

Oak (mixed species)	\$10	\$10	\$10	-	-	1	13 Tons
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Stave Logs

White oak (group)	\$250	\$195	\$215	\$215	\$280	5	13 Int. - MBF
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OZARK TIMBER STUMPAGE PRICE TRENDS IN MISSOURI

(July-Sept., 2001)

	High \$/MBF	Low \$/MBF	Weighted Average	Previous Quarter	Last Year	Number of Reports	Total Volume (Board Feet)
Sawlogs							
Hickory	\$180	\$95	\$120	\$70	\$145	5	22 Int. - MBF
Oak (mixed species)	\$175	\$100	\$135	\$135	-	111,074	Int. - MBF
Post Oak	\$180	\$70	\$115	\$110	\$185	6	71 Int. - MBF
Red oak (group)	\$210	\$160	\$180	\$170	\$195	91,282	Int. - MBF
White oak (group)	\$250	\$140	\$175	\$190	\$190	6	147 Int. - MBF
Mixed Hardwoods	\$180	\$50	\$75	\$180	\$120	5	7 Int. - MBF
S Yellow Pine	\$180	\$115	\$125	\$125	\$130	3	42 Int. - MBF
Stave Logs							
White oak (group)	\$235	\$205	\$220	\$300	\$280	3	10 Int. - MBF

PRAIRIE TIMBER STUMPAGE PRICE TRENDS IN MISSOURI

(July-Sept., 2001)

	High \$/MBF	Low \$/MBF	Weighted Average	Previous Quarter	Last Year	Number of Reports	Total Volume (Board Feet)
Veneer							
Black Walnut	\$1,100	\$1,100	\$1,100	\$1,360	-	1	3 Int. - MBF
Sawlogs							
Ash	\$100	\$100	\$100	\$120	-	1	1 Int. - MBF
Black Walnut	\$415	\$100	\$325	\$420	-	4	6 Int. - MBF
Hickory	\$50	\$50	\$50	\$50	-	1	2 Int. - MBF
Hard Maple	\$160	\$160	\$160	\$120	-	1	7 Int. - MBF
Soft Maple	\$150	\$150	\$150	\$225	-	1	8 Int. - MBF
Oak (mixed species)	\$85	\$65	\$85	\$125	-	3	601 Int. - MBF
Red oak (group)	\$290	\$100	\$120	\$180	\$240	4	51 Int. - MBF
White oak (group)	\$135	\$75	\$115	\$135	\$240	2	58 Int. - MBF
Sycamore	\$60	\$50	\$50	\$60	-	2	25 Int. - MBF
Mixed Hardwoods	\$50	\$40	\$45	\$40	\$50	2	39 Int. - MBF
Eastern Redcedar	\$85	\$85	\$85	-	-	1	3 Int. - MBF
Firewood							
Oak (mixed species)	\$10	\$10	\$10	-	-	1	13 Tons
Stave Logs							
White oak (group)	\$250	\$195	\$195	\$230	-	2	3 Int. - MBF

RIVERBORDER TIMBER STUMPAGE PRICE TRENDS IN MISSOURI

(July-Sept., 2001)

	High \$/MBF	Low \$/MBF	Weighted Average	Previous Quarter	Last Year	Number of Reports	Total Volume (Board Feet)
Sawlogs							
Ash	\$65	\$65	\$65	-	-	1	4 Int. - MBF
Red oak (group)	\$125	\$110	\$120	\$135	\$135	2	44 Int. - MBF
White oak (group)	\$135	\$135	\$135	\$165	\$150	1	103 Int. - MBF
Sycamore	\$65	\$65	\$65	-	-	1	3 Int. - MBF
Mixed Hardwoods	\$210	\$40	\$190	\$150	\$45	2	108 Int. - MBF

Missouri Log Market Report



Missouri Department of Conservation, Forestry Division University of Missouri, Forestry Extension Missouri Forest Products Association

Welcome to the **Missouri Log Market Report**. This report is intended to provide information on delivered log prices and market conditions for loggers and mill operators. Landowners can benefit by tracking market conditions for the various wood products harvested from a tree.

The Log Market Report is published as a cooperative effort of the Forestry Division of the Missouri Department of Conservation, University of Missouri-Extension and the Missouri Forest Products Association.

The report details prices for **Grade Logs** by species and grade; and prices for **Below Grade Logs** by species and intended end use, such as blocking, pallet lumber or ties. All prices are based on the average mean within the grade standard or product line. Absolute maximums or minimums are not reported. All prices are based on a thousand board feet unit using the International 1/4" Log Scale. Log grades used in this report are based on the following **minimum** criteria:

	Grade 1	Grade 2	Grade 3
Minimum Diameter	13-15"	11"	8"
Minimum Log Length	10'	8'	8'

We hope you find the information useful and will be working to expand the number of participating mills; reported species and products (veneer, etc); and the range of coverage for the report. All information provided by the participating mills is confidential.

If you have any questions, comments, or would like to participate in the reporting program, please call (573) 751-4115, Extension 308.

Average Statewide Delivered Prices Dollars per Thousand Board Feet, International 1/4" Scale (July-Sept., 2001)

Stave Logs Species	High	Low	Average
White oak (group)	\$250	\$250	\$250

* 1 Mill(s) reporting.

Sawlogs Species	Grade 1	Grade 2	Grade 3
Ash	\$285	\$185	\$145
Black Walnut	\$705	\$445	\$235
Cherry	\$665	\$450	\$310
Cottonwood	\$165	\$145	\$135
Elm	-	\$160	\$135
Hackberry	-	\$160	\$135
Hickory	\$255	\$205	\$150
Hard Maple	\$500	\$335	\$210
Soft Maple	\$435	\$305	\$235
Post Oak	\$270	\$200	\$160
Red oak (group)	\$440	\$365	\$250
White oak (group)	\$345	\$280	\$210
Eastern Redcedar	-	\$335	-
S Yellow Pine	\$165	-	-

* 18 Mill(s) reporting.

Average Ozark Delivered Prices Dollars per Thousand Board Feet, International 1/4" Scale (July-Sept., 2001)

Stave Logs Species	High	Low	Average
White oak (group)	\$250	\$250	\$250

* 1 Mill(s) reporting.

Sawlogs Species	Grade 1	Grade 2	Grade 3
Ash	\$275	\$200	\$170
Cottonwood	-	\$160	\$135
Elm	-	\$160	\$135
Hackberry	-	\$160	\$135
Hickory	\$210	\$200	\$170
Soft Maple	-	\$250	\$125
Post Oak	\$270	\$200	\$160
Red oak (group)	\$355	\$305	\$225
White oak (group)	\$275	\$255	\$210
S Yellow Pine	\$165	-	-

* 14 Mill(s) reporting.

Average Statewide Delivered Prices
Dollars per Thousand Board Feet, International ¼" Scale
(July-Sept., 2001)

Average Prairie Delivered Prices

Dollars per Thousand Board Feet, International ¼" Scale
(July-Sept., 2001)

Sawlogs

Species	Grade 1	Grade 2	Grade 3
Ash	\$280	\$210	-
Black Walnut	\$740	\$470	\$270
Cherry	\$665	\$500	\$335
Cottonwood	\$165	\$140	-
Hickory	-	-	\$210
Hard Maple	\$500	\$335	\$210
Soft Maple	\$435	\$315	\$275
Red oak (group)	\$585	\$515	\$305
White oak (group)	\$470	\$340	\$250
Eastern Redcedar	-	\$335	-

* 3 Mill(s) reporting.

Average Riverborder Delivered Prices
Dollars per Thousand Board Feet, International ¼" Scale
(July-Sept., 2001)

Sawlogs

Species	Grade 1	Grade 2	Grade 3
Ash	\$290	\$165	\$115
Black Walnut	\$665	\$415	\$210
Cherry	\$665	\$415	\$290
Hickory	\$290	\$210	\$115
Hard Maple	\$500	\$335	\$210
Red oak (group)	\$665	\$415	\$250
White oak (group)	\$500	\$290	\$210

* 1 Mill(s) reporting.

Below Grade Logs

Species	Blocking	Pallet	Tie
Ash	\$150	\$145	\$200
Black Walnut	\$150	\$140	-
Cherry	\$150	\$140	-
Cottonwood	-	\$150	-
Elm	\$150	\$145	\$210
Hackberry	\$150	\$150	\$195
Hickory	\$150	\$140	\$200
Hard Maple	\$150	\$140	\$190
Soft Maple	\$150	\$150	\$185
Post Oak	\$150	\$150	\$200
Red oak (group)	\$150	\$145	\$215
White oak (group)	\$150	\$145	\$215
Pecan	\$150	\$150	-
Gum	\$145	\$145	\$210
S Yellow Pine	\$150	\$155	\$250

* 28 Mill(s) reporting.

QUARTERLY MARKET CONDITIONS

31 mills, with a combined annual production of 89 million board feet, participated in the survey of log and lumber market conditions. In addition, foresters reported stumpage prices resulting from 25 timber sales containing 3.7 million board feet located throughout the state.

Other Product Prices

(July-Sept., 2001)

Product	Avg. Price
Cedar Shaving Bolts	\$50/Cord
Scrag Logs	\$20/Ton

Log Markets

The log market picture has been better! The overall mood of the 31 mills responding to our survey this month is one of “wait and see.” A slight slowdown in productivity was noted, but three out of every four mills were operating at or above 75% of their capacity. Many have utilized their excess log inventory from last Spring and have not yet started to build log inventory for the winter months. Slightly less than 40% of the mills reported log inventories as “low.” The “wait and see” attitude is also reflected in reluctance to increase log purchases in the 4th quarter. Over 60% of the mills said would be holding log procurement at current levels and almost every mill indicated their delivered log prices would remain at the same levels as those reported for the Third Quarter.

All of this points to a lackluster finish throughout the Missouri wood industry for 2001. Until consumer spending increases wood products sales are probably not going to demonstrate any growth, which is very similar to many other industrial sectors at present.

Pallet lumber, grade lumber, cants, and cut stock were the products most frequently mentioned as declining markets during the past quarter. This points to an industry sector that is a vital part of Missouri's wood products output because the wood pallet industry is the largest single user of lumber produced in our state. It is also a good indicator of the health of the national economy because so much consumer goods is shipped on wood pallets. When we see the pallet industry business increasing, it is a good bet that the national economy is on the mend. From information gathered in our regular quarterly survey, wood industry insiders apparently believe that economic recovery won't be evident until sometime after the end of this year. In the meantime, it is business as usual with all eyes focused on military build-up and global reaction to the events of the past month.

It appears to this editor that a significant number of mills could be vulnerable to log shortages if winter weather patterns discourage normal logging activities.

Stumpage Markets

Seasonal impacts as well as the general economic slow-down have had a noticeable effect on stumpage prices for the Third Quarter. Prices for the majority of species are down from last quarter and from one year ago. It is only fair to note, however, that hickory, red oak, post oak, and mixed hardwood stumpage is showing slight increases. It is my guess that these slight increases are probably due to a slightly better percentage of high quality logs being offered for sale in the stumpage sales reported.

If landowners read the log market portion of this report, I believe they will get the picture that there will not be many pleasant surprises for most timber sales offered up during the fourth quarter. From the landowner perspective, there are not many bright spots. Walnut lumber quality logs appear to be experiencing increased demand with prices the best we have seen in several years. Red oak species are still in greatest demand with larger diameter trees commanding some nice premiums. It is the same old story of high quality, larger diameter trees attracting more buyers willing to pay higher prices.

If you have timber sales marked and ready for sale, be sure to advertise them to as many potential buyers as possible. Competition levels the playing field and increases the odds that the landowner is receiving true market value for the trees. It is also important to remember that forester-assisted timber sales almost always net more return than those sold by landowners acting as their own agents. A forester can also assist private landowners sell their timber in such a manner as to minimize federal and state income tax liabilities. This is especially important to those timber owners in the higher income tax brackets.

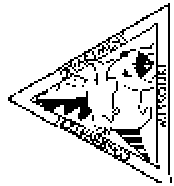
On the surface, the next three months would not seem like a great time to sell timber, but local markets, timber quality, and a rebounding economy are all factors to consider. Thank goodness we have a product that has a long "shelf life" as long as it is standing on the stump. Low bids can be rejected and the timber held until market conditions are better. So, don't hesitate to put a timber sale up for bid, if you have one ready. You still have plenty of options, even if the bids are less than you expect!

Shelby G. Jones, Editor

Editor's Note:

Remember that one of the most valuable sources for information on log and timber markets is the local Missouri Department of Conservation Resource Forester. Contact the nearest Forest

District office for up-to-date, local advice. The Missouri Department of Conservation's Forestry Division, (573) 751-4115, Extension 308, will be happy to provide you with the name and address of the Resource Forester or District Forest Office nearest to you.



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